

# New Nixon link in milk fund scandal

Associated Press

WASHINGTON — New evidence has surfaced tying President Nixon to an alleged deal involving a pledge of \$2 million in campaign money in exchange for administration favors for the dairy industry.

Investigative sources said yesterday they have obtained a letter addressed to Nixon on Dec. 16, 1970, reminding him of the industry's past support and telling him of the milk producers' need for immediate administration aid.

The letter was written, the sources said, by Pat Hillings of the Associated Milk Producers Inc., the major industry group.

The Associated Press has confirmed the letter's contents from four separate sources.

"The thrust of the letter was a request that the President approve new milk tariffs that the industry was interested in," one source said. "It pointed out that the industry had \$2 million available for 1972 campaign contributions," but continued aid for the nation's dairy farmers was necessary if they were to continue their support.

Hillings noted that \$135,000 already had gone to 1970 congressional candidates who were friends of dairymen, the sources said.

A month later, when the new Nixon budget was announced, proposed dairy subsidies rose nearly 10 percent, compared to a slight increase for feed-grain subsidies and a major decrease in food-aid shipments, another method of government farm support.

The Hillings letter noted that it was bringing up a "sensitive political matter," the sources said, and evidence indicates it went directly to H. R. Haldeman, then presidential chief of staff. One source said it isn't certain whether Nixon read the letter or was merely told of its contents.

The following March, how-

## Asks end to Veep vote

Associated Press

WASHINGTON — A proposed constitutional amendment to end the popular election of the vice president was introduced today by Sen. Robert P. Griffin of Michigan, the Senate Republican whip.

The proposal would have the President-elect, prior to his inauguration, nominate a vice president subject to confirmation by Congress.

ever, three events took place:

- On March 22, 1971, the first \$10,000 contribution from milk producers was secretly delivered to a group of dummy campaign committees that later turned their holdings over to the Nixon re-election campaign.

- The following day, President Nixon and then Agriculture Secretary Clifford Hardin met at the White House with 16 spokesmen for the dairy industry.

- On March 25, <sup>12 MAR?</sup> Hardin reversed a 13-day-old decision not to grant an increase in federal price supports for milk and announced approval of a 27-cents-per-hundredweight hike in price supports, claiming he had received new economic data.

The decision was worth between \$500 million and \$700 million to the nation's

milk producers, according to an industry estimate.

The secret campaign contributions later revealed by The Washington Post and federal investigators poured into the dummy committees and Nixon campaign coffers for many months, eventually reaching more than \$400,000.

On Feb. 1, 1972, a Haldeman aide, Gordon Strachan, wrote a memo to his boss reporting that the President's personal attorney and fund raiser, Herbert W. Kalmbach, "is very concerned about his involvement in the milk producers situation." Strachan recommended that Kalmbach be relieved from his assignment "because of the risk of disclosures."

That was one week after consumer advocate Ralph Nader filed a civil suit charging that the price-support increase was part of a political payoff for campaign contributions at a cost to American consumers of hundreds of millions of dol-

The milk-funds case was among issues being investigated by Archibald Cox before he was fired as special Watergate prosecutor. The investigations now have been turned over to the Justice Department. But they remain partially blocked by Nixon's orders.

Before Cox's dismissal on Saturday, Nixon ordered that no more subpoenas be issued for White House documents and tape recordings, and Acting Attorney General Robert H. Bork said yesterday he planned to adhere "exactly to President Nixon's directives."